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THE 400 LARGEST PRIVATE COMPANIES
—CAPITAL IS EASIER TO COME BY—

DECEMBER 12, 1988 $2.00 DOLLARS SEVENTY FIVE CENTS

Forbes

WHY LIBERALISM IS OBSOLETE

AN INTERVIEW WITH NOBEL LAUREATE MILTON FRIEDMAN

"... You don't hear politicians boasting about wanting to spend a lot more; you hear them trying to figure out how to spend money in ways that don't look like spending money."

"... Inflation will not be a major problem in the next several decades for a very simple reason: It's not politically profitable."

"... The political power of the old is going to get smaller and not larger .... You're going to have a revolt of the young against the old."

"... Perestroika is mostly talk."

"... It's a myth that the Japanese government ... directs the economy; actually Japan has grown despite government policy."

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Cover photo by Ed Kashi

34 *Harold Geneen on leveraged buyouts*

144 *From work, work, to play, play*

DECEMBER 12, 1988
VOLUME 142
NUMBER 13

THE EDITORIAL INDEX OF COMPANIES REFERRED TO IN THIS ISSUE IS ON PAGES 6 AND 7.

COVER STORY

161 Why Liberalism Is Now Obsolete An Interview With Nobel Laureate Milton Friedman
By Peter Brimelow
Is the so-called Reagan revolution finished? No, says America's most distinguished economist, who argues that the swing back to free market philosophy is still in its early stages in the U.S. and around the world.

COMPANIES

36 Illinois Central Transportation Co.
By Charles Siler
How do you compete with the Mississippi River? Ask Illinois Central's Harry Bruce.

47 Waste Management Inc.
By Steve Weiner
Garbage in, profits out.

71 J.B. Hunt Transport Services
By Lisa Scheer
"We want to be a Federal Express."

78 Mobil Corp.
By Toni Mack
Allen Murray is turning Mobil around the old-fashioned way: gradually.

95 Chronar Corp.
By James Cook
Chronar's Zoltan Kiss says solar energy is getting closer to competing with fossil fuels for generating electricity.

100 Fieldcrest Cannon
By Alyssa A. Lappen
The company owns some of the best-known brand names in textiles. Too bad it manages them so poorly.

106 The Up & Comers: Walbro Corp.
By Fleming Meeks
Lambert Althaver was minding his profitable little business when a 13-D filing landed on his desk. Also: Executive pay and ownership in growing companies; how Chicago's Richard Portillo made it big in hot dogs.

130 Security Pacific
By Edwin A. Finn Jr.
Many major banks are in trouble. Security Pacific is not among them.

178 The Joy Of Private Capital
By Laura Jereski
Private companies used to find it tough to get capital. Now insurers, venture capitalists and pension funds are lining up to supply it.

180 The 400 Largest Private Companies In The U.S.

212 Index To The 400

IDEAS

34 "When Everything's For Sale, You Lose Something"
By Subrata N. Chakravarty
Harold Geneen, the old master acquirer, likens today's leveraged takeover people to car thieves.

REGIONS

60 Welcome To Teheran, Calif.
By Marc Beauchamp
Many of Iran's elite now reside in California. Their homeland's loss has been our gain.

INDUSTRIES

37 Aquabusiness: Catfish Story
By Michael Fritz
The ugly catfish is big business.

38 Garbage: Horror Story
By Jason Zweig
Garbage, especially the toxic kind, breeds more than disease and pollution. It breeds sleazy characters like Marvin Mahan.

55 Energy: Price Surge Ahead?
By Pranay Gupte
With strong growth in developing countries, oil's price can only go up.

INTERNATIONAL

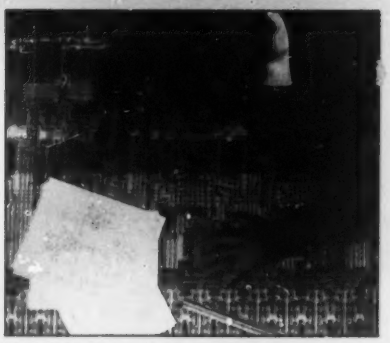
102 Let Them Make The Loans
By Ronald Bailey
Western European and Japanese bankers argue that the Soviet Union is creditworthy. A familiar refrain.

144 "Enjoy, Enjoy!"
By Richard Phalon
After decades of admonishing the people to work, work, work, the Japanese government is now urging them to play, play, play.

INVESTING

138 Mr. Grundfest Dissents
By William Baldwin
Why don't the enforcers do something to make the market safe for small investors?

178 *Private company finance*



238 *Not enough common sense*

220 The Money Men: Kent Simons
By Laura R. Walbert
Here's a simple formula: Buy stocks that have nowhere to go but up.

282 The Funds: Indecent Burial
By Jonathan Clements
Be on guard whenever you see the word "merger" in a mutual fund's prospectus.

300 Streetwalker
The market: enthusiasm redux? ITT Corp.; Werner Enterprises; Reuters Holdings Plc.; Primark.

ON THE DOCKET

268 Employers Beware
By Deirdre Fanning
A federal law has chained business employers to the pension plans of their workers. A New York case could make matters worse.

COMPUTERS/COMMUNICATIONS

233 Just The Bare Facts, Please
By William Baldwin
UPCOMING COMPLETEST POOP COMPRESSIONWISE STOP
What does that mean? Read on.

238 Lattice Semiconductor's Close Call
By Kathleen K. Wiegner
It wasn't want of money, but want of common sense.

244 Who's In The Driver's Seat?
Commentary by Esther Dyson

SCIENCE & TECHNOLOGY

246 Mail Smart
By Gary Slutsker
With postal rates going up and up, mailers are fighting back. Also: New hope for diabetics.

MARKETING

252 Fast, Fast Relief For Sour Sales
By Kerry Hannon
Americans didn't need as much Alka-Seltzer. Or so they thought before the advertising people went to work on them.

254 Killing The Golden Goose?
By Jeffrey A. Trachtenberg
An increasing number of TV commercials now last just 15 seconds—meaning more messages in the same time. Is this any way to treat a viewer? Or a client?

PERSONAL AFFAIRS

258 Phones To Go
By Edward Giltenan
What you need to know about battery-powered telephones.

260 Heads They Win, Tails You Lose
By Michael Fritz
Rare coins have been hailed as the investment sleeper of the past 20 years. But rare according to whom? Also: train trips; disability coverage; shrinking debt deductions.

DEPARTMENTS

8 Side Lines
10 Follow-Through
14 The Informer
16 Readers Say
19 Fact and Comment
24 Other Comments
27 Fact and Comment II
303 Flashbacks
304 Thoughts

COLUMNISTS

287 Ben Weberman
288 Kenneth L. Fisher
290 Ashby Bladen
292 Mark Hulbert
294 Alan Reynolds
296 Frederick E. Rowe Jr.

MONEY & INVESTMENTS

31 What's Ahead For Business
32 The Forbes Index
279 The Forbes/Wilshire 5000 Review

FACES BEHIND THE FIGURES

270 **John Backe,** *Backe Group*
270 **Ta-tung Wang,** *Kentucky Fried Chicken*
272 **Thomas North Gilmore,** *Wharton Center for Applied Research*
272 **Gary Larson,** *cartoonist*
276 **James W. Morris III,** *Defense Research Institute*

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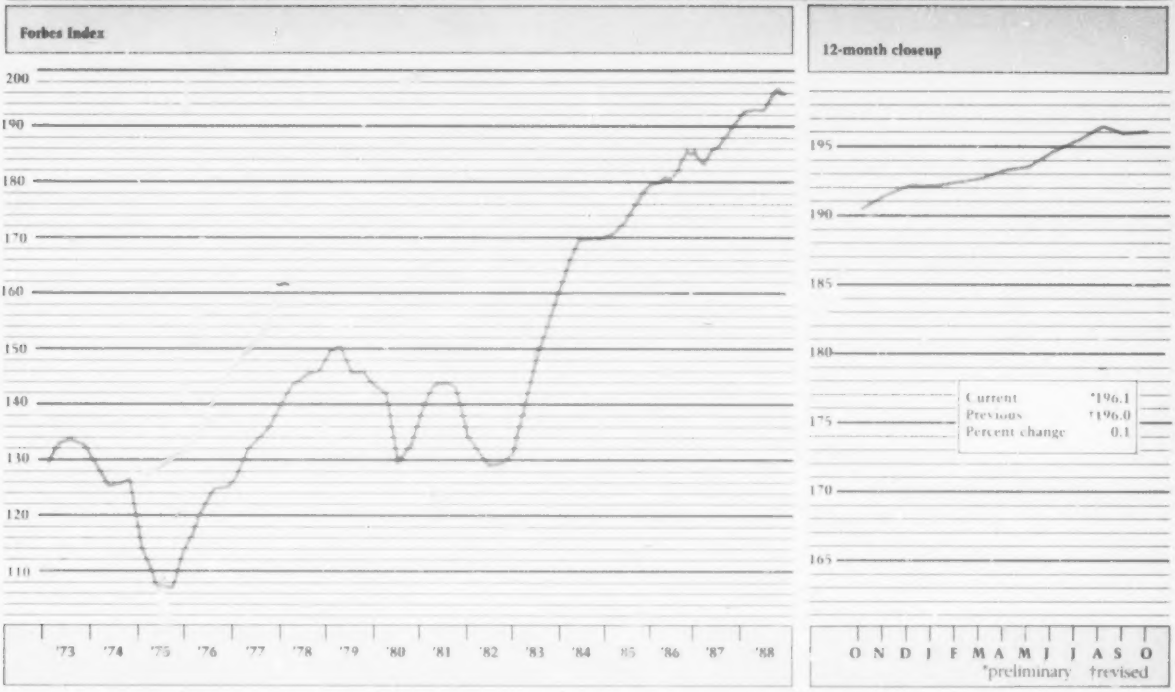
The Forbes Index



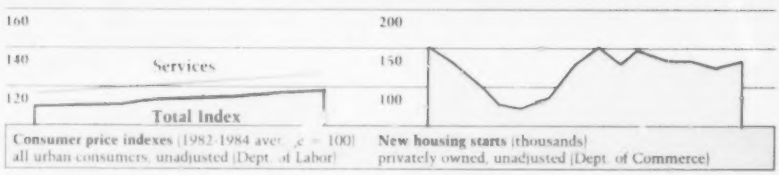
Down but not out. Our final tabulation of the September Forbes Index shows that it fell 0.3%, the first decline since January 1987. However, a slight pickup in the economy is indicated by the preliminary October Index. Retail sales climbed 0.9% in October, their best gain in seven months. Industrial production rose 0.4% as factory utilization increased to 84% of capacity. Another encouraging sign was the 7.5% jump in new housing starts in October. It was the first monthly increase in this seasonally unadjusted statistic since last June.

The nation's merchandise trade deficit narrowed slightly in September, to $10.5 billion, thanks in part to record exports. Recent weakness in the dollar makes continued improvement likely in this statistic.—

The Forbes Index Components

The Forbes Index is a measure of U.S. economic activity composed of eight equally weighted elements: Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, the level of new orders for durable goods compared with manufacturers' inventories, total retail sales, new housing starts, personal income, total consumer installment credit.

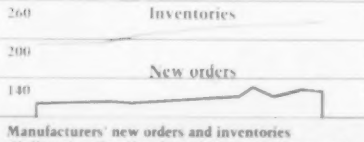
To measure these eight elements, Forbes monitors ten series of U.S. government data. The last 14 months' data for each series are presented at right.



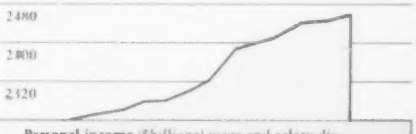
Consumer price indexes (1982-1984 aver. = 100) all urban consumers, unadjusted (Dept. of Labor)

New housing starts (thousands) privately owned, unadjusted (Dept. of Commerce)

Industrial production index (1967 = 100) seasonally adjusted (Federal Reserve)

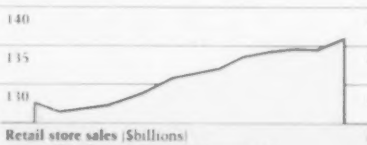


Manufacturers' new orders and inventories ($billions) seasonally adjusted (Dept. of Commerce)

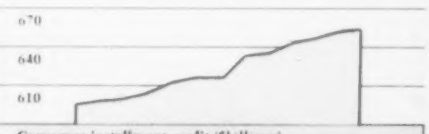


Personal income ($billions) wage and salary disbursements, seasonally adjusted (Dept. of Commerce)

Unemployment claims average for month (thousands) seasonally adjusted (Dept. of Labor)



Retail store sales ($billions) seasonally adjusted (Dept. of Commerce)



Consumer installment credit ($billions) total, seasonally adjusted (Federal Reserve)

S O N D J F M A M J J A S O S O N D J F M A M J J A S O S O N D J F M A M J J A S O

First, Althaver locked 30% of the company into friendly hands. Walbro's management and board owned 17%. The rest he got by entering into a no-sell agreement with local shareholders, who owned a 13% stake in the company. (More than half of this $14 million stake dates back to a $25,000 investment made by local merchants as an incentive to bring the company to town in 1954.) The townspeople didn't need much convincing. Walbro's payroll for the 450 employees in Cass City alone makes up about $18 million of the town's $22 million industrial payroll. And Althaver, the son-in-law of the company's founder, has been the village president for 20 of the last 22 years.

But how to lock up another 20% of the shares? On Sept. 25, three weeks after receiving UIS' 13-D, Althaver met with General Electric Capital Corp. GECC agreed to buy $35 million in preferred stock, convertible into 20% of Walbro's equity. But the terms for putting that much stock in presumably friendly hands were stiff. The preferred stock paid an 8% dividend, escalating by 3% every six months until it reached 15%. In addition to this handsome return on its money, GECC charged Walbro $1.5 million for underwriting the stock.

Meanwhile, UIS had broadened its offer to include 100% of Walbro's stock, and UIS lawyers were trying to undo both the preferred stock sale and the agreement between Walbro and its Cass City shareholders. But on Oct. 5 the Delaware Chancery Court declined to enjoin these defensive moves, and three days later peace negotiations began. On the morning of Oct. 13, Walbro agreed to buy back half of UIS' 432,000 shares at 17, and UIS promised not to acquire more Walbro shares for four years. (Two weeks later, in the wake of the stock market crash, Walbro shares fell to 11⅛.) In December, after spending $14 million to buy back its own stock, Walbro borrowed $20 million to help retire the GECC preferred issue. In April Walbro replaced the $20 million loan with a private placement of convertible debt.

The Up & Comers

WHERE THE MONEY IS

How well do small growth companies pay their chief executives? Do chief executives of these businesses own a great deal of stock in their company? Below are the 11 industries into which most of this year's Forbes 200 Best Small Companies in America were grouped. As befits the times, bosses of growing companies in the Finance/Investment Management industry both earned and owned the most: a median compensation level of $538,200 and stock in their companies worth a median $25 million and change. While the specialty chemical business was way behind in compensation (at a median $332,100), it was a close second in the value of executives' shareholdings. In last place in compensation was the fiercely competitive retail food and restaurant industry. Military electronics firms were in last place by value of executives' stockholdings.

Industry	Median compensation (000)	Median holdings (000)
Finance-investment management	$538.2	$25,187
Retail-apparel	495.6	17,935
Computer-services	347.4	8,369
Chemicals-specialty	332.1	22,157
Insurance-property & casualty	300.0	7,340
Automobiles & trucks-original equipment	278.0	9,134
Electronics-military systems	274.5	1,541
Computer-software	262.0	13,773
Financial/business services	255.4	9,031
Pollution control equipment & services	221.5	7,106
Retail-food & restaurants	209.8	3,518

The 200 Best Small Companies database (for the complete listing, see FORBES, Nov. 14) also sheds some light on the difference between the founders and professional managers in charge of high-performance small companies. Founders still run half of these firms. Not surprisingly, they tend to pay themselves less than do nonfounders—about $85,000 a year less. But when it comes to stock ownership, the median founder's shareholding is worth over $8 million—twice as much as the professional manager's median.—Steve Kichen

	Median compensation (000)	Median holdings (000)
Founders	$260.3	$8,052
Nonfounders	345.6	3,999
Total	301.9	7,328

Source: The 200 Best Small Companies in America (Forbes, Nov. 14, 1988)

Private companies are no longer at a disadvantage in raising capital. That's one reason a lot of public companies are going private. Thank you Drexel, Burnham.

The joy of private capital

By Laura Jereski

NOT LONG AGO a fast-growing private company stood at a distinct disadvantage to its public competition. It would have a tougher time finding money to fuel growth. And once it found a banker or insurance company with ready cash, the terms could be harsh, compared with what publicly traded competition found in the public markets.

No longer. Nowadays, a private company doesn't have to give away large chunks of equity or pay usurious interest rates to get the money it needs. Indeed, a large and liquid pool of cash stands ready, in the form of private placement issues.

Private placements are issues of debt or equity sold to a small number of sophisticated investors. Because the investors, which include pension funds, insurance companies and venture capitalists, are considered savvy, and the issues aren't expected to trade, the deals aren't registered with the Securities & Exchange Commission. That keeps companies' privacy intact, shielding them from prying customers or competitors. And it means the investors often have a better grip on their investments than they do in the public market.

Illustrations by Jean-François Allaux

IDD Information Services of New York estimates $100 billion will be placed privately this year—and this doesn't include certificates of deposit, collateralized mortgage obligations and deposit notes placed through brokers. Some of the private placements are done for publicly traded companies, but perhaps half ($50 billion) will go to private companies—those without publicly traded stock.

A far cry from 1982, when the private placement market totaled $24 billion—not much more than it will take to turn RJR Nabisco into a private company.

Why the sudden popularity of private ownership? Look no further than Drexel Burnham Lambert. The investment bank grew to its present size by providing capital to companies that aren't investment grade (BBB or better on the bond rating scale). In popular jargon these loans are called junk bonds, but they are by no means all junky, except by conventional standards of creditworthiness.

The low default rate on that junk bond business—2% over more than a decade—no doubt helped convince other lenders that a company's potential isn't always best measured by current earnings, on which the equity markets tend to focus. Drexel helped create a whole new attitude toward debt and borrowing that benefits private companies and small public companies mightily.

As every chief executive officer knows, there are many advantages to running a private company. Private companies are free to disregard quarterly and even annual earnings and concentrate instead on cash flow. That means the owners' interests are more in line with the creditors': The emphasis is on strengthening the company rather than on dazzling analysts with earnings pyrotechnics.

And if the private managers bungle? Private placements come with tough covenants that keep issuers on the straight and narrow. Indeed, that is why losses are so low. Cigna, for one, has written off only $126 million of

What's a private company?

A corporation qualifies for the list that begins on page 180 if it operates for-profit but does not have publicly traded common stock: Either it has too few common shareholders to file with the Securities & Exchange Commission or, if it files, its stock is not available to the general public. In the former group would be most of the 400 companies on the list, including such closely held giants as Cargill and Mars. In the latter group are such companies as United Parcel Service and Publix Super Markets, whose stock is widely held, but only by employees.

The key to determining public ownership for this list is the common stock. A company with widely traded bonds but closely held stock would be considered private. Many companies that were taken private in leveraged buyouts still have bonds owned by the general public, such as Safeway Stores, ranked number 4, and R.H. Macy, number 9 on the list.

The LBO craze in the past year has put 40 corporations on the list. This trend helped push up total revenue on the list by almost 17%, to $523 billion. The biggest newcomer by revenue is $4.6 billion Montgomery Ward, sold by Mobil in June 1988 in a management buyout. Giant RJR Nabisco, with $15.8 billion in revenues, may be on next year's list.

Excluded from the survey are mutuals, cooperatives, foreign-owned firms, joint ventures and companies 50% or more owned by public corporations. The revenue shown is for the most recent fiscal year. Some companies provided estimates, while other estimates were developed by FORBES and confirmed by outside sources.—Tina Russo

its $8.5 billion portfolio.

A private company performs to a different audience than most public companies. A private company must impress owners and creditors. A public company must impress analysts and a vast, semi-informed public.

No wonder so many big companies have stayed private: Hallmark Cards and Cox Enterprises, for example. Being private hasn't prevented them from growing into billion-dollar businesses. The 400 largest private companies in the U.S. *(the rankings begin on p. 180)* have combined revenues of $523 billion, compared with $449 billion the year before. This is an increase of almost 17%, compared with an increase of 7.4% for the largest publicly owned companies. Forty formerly public companies went private this year, compared with 21 last year. Many that have gone private in the last few years did so through leveraged buyouts. These include Beatrice and its spinoffs (Avis, TLC Beatrice and Playtex); Safeway and its spinoff, Safeway Texas; and R.H. Macy.

These companies no longer have publicly traded stock, but they may have SEC-registered debt (i.e., bonds that could trade outside the ranks of private investors). In any case, they've likely been private placement issuers.

But what about the wannabes, companies too small for public markets or too unknown for conservative bank lenders? Not to worry. This is the precious "middle market" on the lips of so many bankers talking up their stocks. And if they can't get the money from banks, there are plenty of other sources. "There is so much money around for smaller deals," says David Gezon of British merchant bank Kleinwort Benson, "that lenders often ask issuers what it will take to get the deal done."

Indeed, much of the money flooding into private placements targets deals under $100 million. Available financing for these deals has been growing 35% a year since 1985.

That's just what Raul Alarcon Jr. found when he wanted to add a Los Angeles FM radio station to his Spanish Broadcasting System. His bank, the Bank of New England, balked at lending him $35 million when the company's total revenues stood at a bare $19 million. Result? Through BNE Associates, the bank's investment banking subsidiary, Alarcon raised $35 million privately, most of it at fixed long-term rates under 11%.

Alarcon is only one of many. Take Morris Newspapers of Savannah, Ga., with over $100 million in revenues from 38 publications, four TV stations and two printers. The company, started in 1970 with two newspapers, grew by buying properties with owner financing. Last spring Morris did its first major private placement, for $60 million, to buy the Little Rock, Ark. NBC affiliate for $61 million. Says Edward Brooks, chief financial officer: "As long as we're getting what we need in the private market, we have not had to consider going public to keep growing."

With so much money available, the returns lenders require are starting to slip. "The expected return for a $25 million subordinated loan with warrants used to be 25%. It's more like 15% or 17% now," comments Wiley Sharp III at investment bank Dain Bosworth in Minneapolis. He cautions that terms are tougher for deals under $10 million, since few lenders are willing to take the time. His advice? Borrow more, even if you don't need it at the time.

Staying private has its costs. Owners can't, for instance, as easily reward executives with stock options, and owners have less liquidity. But no longer do private companies have to accept a shortage of long-term capital as one of the inevitable costs.

Next time the stock market booms, no doubt some private companies will go public to cash in. But as long as the market is quiet and plenty of debt money is available, look for the ranks of private companies to keep growing. ■

Acknowledgments

Some private companies volunteered information. Data on others were gathered from outside sources, whose help we gratefully acknowledge.

Advertising Age, NYC; *Auto Age*, Phoenix, Van Nuys, Calif.; Paul Bennowitz, Retail Grocers Association of Arizona; John Bracknell, Robinson-Humphrey Co., Greenwood, S.C.; *California Business*, Los Angeles; Leroy Cody, Shearson Lehman Commercial Paper, Chicago; *Crain's Chicago Business*, Chicago; Roy L. Diez, *Professional Builder*, Des Plaines, Ill.; Forrest Gosset, *Wichita Eagle-Beacon*, Wichita; *Florida Trend*, St. Petersburg; *Georgia Trend*, Atlanta; Ted Kenney, *Seattle Weekly*, Seattle; Jim Koback, James B. Koback & Co., Darien, Conn.; Brenda Landry, Morgan Stanley, NYC; Perrin H. Long Jr., Lipper Analytical Securities, NYC; Harry Maier, *Green Bay Press-Gazette*; Morgan-Walke Associates, NYC; Alan Mottus, Mottus & Associates, NYC; Elliot Marple, retired journalist, *Marple's Business Newsletter*, Seattle; Jay Novak, *Corporate Report Minnesota*, Minneapolis; *Philadelphia Business Journal*, Philadelphia; Henry Primeaux, Primco Corp., Arlington, Tex.; Gerald D. Reilly, newspaper analyst, Greenwich, Conn.; Charlene Salito and Michael Bellas, Beverage Marketing Corp., NYC; *Ward's Auto Dealer*, Detroit.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
1	1	**Cargill**/intl marketer of agri & bulk commodities	$38,200	55,020	Whitney MacMillan	Minneapolis, MN
2	4	**Koch Inds**/petroleum, natural gas, chemicals	16,000e	7,500	Charles Koch	Wichita, KS
3	3	**Continental Grain**/commodity trading & processing	13,000	12,000	Donald L Staheli	New York, NY
4	2	•**Safeway Stores**/supermarkets	13,000e	115,000	Peter A Magowan	Oakland, CA
5	6	**United Parcel Service**/package delivery	9,682	170,000	John W Rogers	Greenwich, CT
6	■	•**Southland**/convenience stores	8,466[1]	43,600	John P Thompson	Dallas, TX
7	7	**Mars**/candy manufacturing, pet food, rice	8,000e	22,000	Forrest E Mars Jr	McLean, VA
8	9	•**Supermarkets General**/groc stores, home improvement ctrs	5,770	30,000	Kenneth Peskin	Carteret, NJ
9	10	•**RH Macy**/department stores	5,729	70,000	Edward S Finkelstein	New York, NY
10	11	**Peter Kiewit Sons'**/packaging, construction, coal mining	4,682	32,000	Walter Scott Jr	Omaha, NE
11	■	•**Montgomery Ward & Co**/department stores	4,639	35,000	Bernard F Brennan	Chicago, IL
12	8	**Bechtel Group**/engineering & construction	4,500	17,500	Stephen D Bechtel Jr	San Francisco, CA
13	■	•**Stop & Shop Cos**/supermkts, Bradlees discount dept strs	4,300	44,000[2]	Avram J Goldberg	Boston, MA
14	16	**Publix Super Markets**/grocery stores	4,187	21,220	George W Jenkins	Lakeland, FL
15	18	**Carlson Cos**/worldwide service corporation	4,100	51,000	Curtis L Carlson	Minneapolis, MN
16	■	•**Trans World Airlines**/airline	4,100	29,919	Carl C Icahn	New York, NY
17	14	•**ARA Services**/food svcs, uniform rentals, child care svcs	4,019	119,886	Joseph Neubauer	Philadelphia, PA
18	12	•**Beatrice**[3]/food processing	4,012	19,700	Frederick B Rentschler	Chicago, IL
19	13	**Goldman, Sachs**/investment banking, securities brokerage	4,000e	6,800	John L Weinberg	New York, NY
20	73	**Peat Marwick Main**/accounting	3,800	60,000	Larry D Horner	New York, NY
21	17	•**Owens-Illinois**/packaging	3,600	48,000	Robert J Lanigan	Toledo, OH
22	19	•**Borg-Warner**/auto parts, security svcs	3,500	75,000	James F Bere	Chicago, IL
23	■	•**American Standard**/bldg, air conditioning, transport prods	3,400	39,300	William B Boyd	New York, NY
24	15	**Drexel Burnham Lambert**/invest banking, sec brokerage	3,200	10,000	Frederick H Joseph	New York, NY
25	23	**Marmon Group**/multicompany	3,200	25,545	Robert A Pritzker	Chicago, IL

Revere Copper & Brass rode off the private list after selling its pots-and-pans line to Corning Glass and its other divisions elsewhere.

26	104	**Taubman Co**/real estate devel & mgmt	3,000e	450	Robert C Larson	Bloomfield Hills, MI
27	45	**Riklis Family Corp**/holding company	2,931e[4]	44,200	Meshulam Riklis	New York, NY
28	20	•**Burlington Industries**/textiles	2,900e	26,000	Frank S Greenberg	Greensboro, NC
29	■	•**Grand Union**/grocery stores	2,872	22,000	Floyd Hall	Wayne, NJ
30	24	•**Levi Strauss**/apparel	2,870	32,000	Robert D Haas	San Francisco, CA
31	43	**Arthur Andersen & Co**/accounting	2,800	45,918	Duane R Kullberg	Chicago, IL
32	25	•**Jack Eckerd**/drugstores	2,750	30,000	Stewart Turley	Clearwater, FL
33	21	•**American Financial**/insurance, savings & loan	2,708[5]	5,000	Carl H Lindner	Cincinnati, OH
34	41	**Lefrak Organization**/real estate devel & mgmt	2,600e	18,000	Samuel J LeFrak	Rego Park, NY
35	26	**Astroline**/oil trading	2,500	70	Fred Boling	Reading, MA
36	28	•**MacAndrews & Forbes Holdings**/cosmetics & beauty prods	2,500	24,582	Ronald O Perelman	New York, NY

■ Not on last year's list. •Went private via leveraged buyout since 1980. e: Estimate. [1]Estimate for fiscal year ending December 1988. [2]Includes full- and part-time employees. [3]Listed as BCI Holdings last year. [4]Figure includes Rapid-American, E-II Holdings, Fabergé, Elizabeth Arden. [5]Excludes revenues from United Brands and other unconsolidated subsidiaries.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
37	31	•Revco DS/drugstores	$2,409	28,800	Boake A Sells	Twinsburg, OH
38	51	Coopers & Lybrand/accounting	2,400e	41,114	Peter R Scanlon	New York, NY
39	39	SC Johnson & Son/specialty chemicals	2,400e	11,500	Samuel C Johnson	Racine, WI
40	29	Milliken & Co/textiles	2,400e	20,000	Roger Milliken	Spartanburg, SC
41	32	Advance Publications/communications	2,397e	19,000	SI Newhouse Jr	Staten Island, NY
42	37	Gateway Foods/food wholesaling	2,330	3,750	DB Reinhart	La Crosse, WI
43	30	H Group Holdings/hotels	2,330e	40,000	Jay Pritzker	Chicago, IL
44	85	Anschutz/railroads, oil, gas, real estate, mining	2,300e	24,000	Philip F Anschutz	Denver, CO
45	36	HE Butt Grocery/grocery stores	2,300	12,000	Charles C Butt	San Antonio, TX
46	38	Hallmark Cards/greeting cards & related prods	2,250e	19,000	Irvine O Hockaday Jr	Kansas City, MO

In 1988 TWA became the first airline to join the private list. Its chairman wants to acquire another air carrier and add to TWA's $4.1 billion in revenues.

47	48	Price Waterhouse/accounting	2,200	38,000	Joseph E Connor	New York, NY
48	58	Ernst & Whinney/accounting	2,191	35,600	Ray J Groves	Cleveland, OH
49	63	JM Family Enterprises[1]/distributor of Toyotas	2,100	2,300	James M Moran Sr	Deerfield Beach, FL
50	59	Farley Industries/underwear, boots, auto parts	2,090e	25,000	William Farley	Chicago, IL
51	■	•Best Products/general merchandise, jewelry stores	2,070	9,000	Ben Weinstein	Richmond, VA
52	68	Arthur Young/accounting	2,053	32,500	William L Gladstone	New York, NY
53	256	Penske/truck leasing, diesel mfg, auto dealerships	2,050e	9,200	Roger S Penske	Red Bank, NJ
54	■	•Uniroyal Goodrich Tire/tires	2,047	18,500	B Charles Ames	Akron, OH
55	44	Cumberland Farms/convenience strs, petroleum distrib	2,000e	10,000	Demetrios B Haseotes	Canton, MA
56	46	Finevest Services/food processing, insur, health care svcs	2,000	14,000	William R Berkley	Greenwich, CT
57	49	Hearst Corp/publishing, broadcasting	2,000e	15,000	Frank A Bennack Jr	New York, NY
58	42	Meijer/department & grocery stores	2,000	19,000	Fred Meijer	Grand Rapids, MI
59	78	Deloitte Haskins & Sells/accounting	1,900	30,000	J Michael Cook	New York, NY
60	56	McLane/food distributing	1,845	3,600	Drayton McLane Jr	Temple, TX
61	47	•Dominick's Finer Foods/retail food & grocery	1,842e	7,500	Jim DiMatteo	Northlake, IL
62	■	•Hillsborough Holdings/home bldg, natl resources, ind mfg	1,825	13,000	Joe B Cordell	Tampa, FL
63	52	Belk Brothers/department stores	1,810	33,000	John M Belk	Charlotte, NC
64	54	Graybar Electric/electrical & telecomm equip wholesaling	1,800	4,700	James L Hoagland	St Louis, MO
65	■	•Payless Cashways/home improvement centers	1,770	12,491	David Stanley	Kansas City, MO
66	■	•Fort Howard/paper prods	1,758	16,623	Paul J Schierl	Green Bay, WI
67	66	Touche Ross & Co/accounting	1,750e	31,500	Edward A Kangas	New York, NY
68	55	Cox Enterprises/newspapers, broadcasting, cable tv	1,666	21,000	James C Kennedy	Atlanta, GA
69	34	George E Warren/petroleum trading	1,658	35	Thomas L Corr	Framingham, MA
70	■	•Colt Industries/aerospace, automotive, indus equip	1,642	16,600	David I Margolis	New York, NY
71	57	Steelcase/office furniture & systems	1,630	14,000	Robert C Pew	Grand Rapids, MI
72	72	Estée Lauder/cosmetics	1,600e	10,000	Leonard Lauder	New York, NY
73	65	Giant Eagle/grocery stores	1,600	12,000	David S Shapira	Pittsburgh, PA

■ Not on last year's list •Went private via leveraged buyout since 1980 e Estimate [1]Listed as Southeast Toyota last year.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
74	98	**Gulf States Toyota**/auto importing	$1,600e	850	Jerry Pyle	Houston, TX
75	62	**Reader's Digest Association**/publishing	1,600	7,500	George V Grune	Pleasantville, NY
76	■	•**HealthTrust**/hospitals	1,500e	23,000	R Clayton McWhorter	Nashville, TN
77	70	**Hy-Vee Food Stores**/grocery stores	1,500	6,718	Ron Pearson	Chariton, IA
78	71	**Union Holdings**/natural gas, food processing	1,500	2,700	Anthony L Geller	Independence, KS
79	40	**Knoll International Holdings**/automotive parts	1,493	15,600	Marshall S Cogan	New York, NY
80	214	**Amway**/household & personal care prods	1,477	7,000	Jay Van Andel	Ada, MI
81	76	•**Leaseway Transportation**/trucking	1,454	20,000	Richard A Damael	Beachwood, OH
82	64	**Stroh Brewery**/beer, beverages	1,450	5,000	Peter W Stroh	Detroit, MI
83	■	•**TLC Beatrice International Holding**/food processing	1,440	11,000	Reginald F Lewis	New York, NY
84	50	**Helmsley-Spear**/commcl leasing, sales, consult & mgmt	1,430e	13,000	Harry B Helmsley	New York, NY
85	149	**Scoular**/grain storing & trading	1,410	500	Marshall E Faith	Omaha, NE
86	69	•**Reliance Electric**/elec motors, controls, mech power trans	1,408	17,000	John C Morley	Cleveland, OH
87	96	**Delaware North Cos**/airport & sports concessions, tracks	1,400e	43,000	Jeremy M Jacobs	Buffalo, NY
88	318	**DHL Worldwide Express**[1]/air express service	1,400e	17,000	Patrick Foley	Redwood City, CA
89	53	**Services Group of America**/food distrib, stevedoring, insur	1,400	5,000	Thomas J Stewart	Seattle, WA
90	88	**Trammell Crow**/real estate develop & mgmt	1,400e	7,500	J McDonald Williams	Dallas, TX
91	81	**Weirton Steel**/steel	1,329	8,100	Herbert Elish	Weirton, WV
92	■	•**Charter Medical**/manages hospitals	1,300	11,000	William A Fickling Jr	Macon, GA
93	77	**Connell Rice & Sugar**/hvy equip lease, food export & import	1,300e	200	Grover Connell	Westfield, NJ
94	79	**Dunavant Enterprises**/intl & domestic cotton merch	1,300	1,250	William B Dunavant Jr	Memphis, TN
95	■	•**Duracell**/batteries & lighting prods	1,300	9,200	C Robert Kidder	Bethel, CT
96	80	**Furr's**/grocery stores	1,300	10,439	Jan Friederich	Lubbock, TX
97	86	•**Hook-SupeRx**/drugstores	1,300	12,500	Philip E Beekman	Cincinnati, OH
98	107	**Sammons Enterprises**/insurance, cable TV, industrial equip	1,300	6,800	Robert W Korba	Dallas, TX

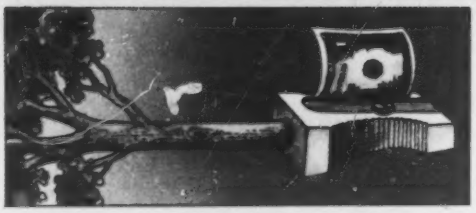
LBO mania: Of the 400 companies on our list this year, 106 would not have been here five years ago because they were either public or part of another company.

99	■	•**John Alden Financial**/insurance	1,271	1,500	Glendon E Johnson	Miami, FL
100	82	**National Amusements**/movie theaters, broadcast, cable TV	1,260	8,000	Sumner M Redstone	Dedham, MA
101	83	•**Restaurant Enterprises Group**/restaurants	1,211	39,660	Norman Habermann	Irvine, CA
102	76	**Global Petroleum**/petroleum wholesaling	1,202	160	Alfred A Slifka	Waltham, MA
103	95	•**Cole National**/specialty retailing	1,200	12,000	Jeffrey A Cole	Cleveland, OH
104	100	**Hillman**/real estate devel, dist office prods, investments	1,200e	3,500	Henry L Hillman	Pittsburgh, PA
105	87	**JR Simplot**/agribusiness, food processing	1,200	9,500	Gordon Smith	Boise, ID
106	■	•**Wickes Lumber**/retailing of building materials	1,200	7,000	Leslie L Hagen	Vernon Hills, IL
107	102	**Ingram Inds**/marine trans, oil, insurance, consumer prods	1,170e	3,000	E Bronson Ingram	Nashville, TN
108	61	**JMB Realty**/real estate syndication	1,150e	15,000	Neil Bluhm	Chicago, IL
109	112	**Gates**/rubber & formed fiber prods, recharg batteries	1,120	16,000	Charles C Gates	Denver, CO

■ Not on last year's list. •Went private via leveraged buyout since 1980. e: Estimate. [1]Listed as DHL Airways last year.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
110	84	•**Dillingham Construction**/construction, engineering	$1,106	1,200	Donald K Stager	Pleasanton, CA
111	139	**Gillett Group**/meatpacking, broadcasting, resorts	1,100	4,800	George N Gillett Jr	Nashville, TN
112	171	**Transammonia**/trading fertilizers & petroleum prods	1,100	175	Ronald P Stanton	New York, NY
113	92	**Frederick Weisman**/auto importing, insurance	1,100	585	Frederick Weisman	Glen Burnie, MD
114	153	•**Connell Limited Partnership**/metal recycling, indust equip	1,085e	3,100	William F Connell	East Boston, MA
115	117	•**LaSalle Energy**/natural gas pipeline	1,078e	1,900	Roy H Bettis Jr	Dallas, TX
116	99	**Hartz Mountain**/pet food, real estate, publishing	1,075e	5,000	Leonard Stern	Harrison, NJ
117	137	**Fidelity Investments**/mutual fund mgmt, discount broker	1,075	5,700	Edward C Johnson 3d	Boston, MA
118	33	**Lincoln Property**/real estate devel & mgmt	1,075	3,000	A Mack Pogue	Dallas, TX
119	91	**Frank Consolidated Enterprises**/auto dealerships	1,070	1,500	Zollie S Frank	Des Plaines, IL



Fort Howard, of Green Bay, Wis., with $1.76 billion in revenues and 16,000 workers, is the largest of seven forest products companies on this list.

120	193	**Kohler**/plumbing equip, engines, generators, hotels	1,068	12,500	Herbert V Kohler Jr	Kohler, WI
121	175	**Edward J DeBartolo**/real estate, dept strs, race tracks	1,066e	12,000	Edward J DeBartolo	Youngstown, OH
122	90	**Gilbane Building**/commercial construction	1,063	977	Paul J Choquette Jr	Providence, RI
123	133	•**Avis**/auto rental	1,060	14,000	Joseph V Vittoria	Garden City, NY
124	173	•**Amstar**/multicompany	1,057	4,624	Howard B Wentz Jr	Stamford, CT
125	103	**Sweet Life Foods**/food wholesaling	1,050e	3,000	Julian Leavitt	Suffield, CT
126	■	•**Cullum Cos**/supermarkets, drugstores, meatpacking	1,040	7,000	Jack W Evans	Dallas, TX
127	■	•**Service America**/food service & vending	1,016	19,000	Carr Newcomer	Stamford, CT
128	■	**A-Mark Financial**/wholesaler of precious metals	1,000	50	Steven C Markoff	Santa Monica, CA
129	126	**BeefAmerica**[1]/meatpacking	1,000	1,800	Michael M Erman	Omaha, NE
130	94	**Chilewich Sons**/commodity trading, hides, cattle, meat	1,000	850	Simon Chilewich	New York, NY
131	97	**E&J Gallo Winery**/wine	1,000	3,000	Ernest Gallo	Modesto, CA
132	■	**Harris Wholesale**/wholesale distributor of drugstore prods	1,000	850	Seth B Harris	Solon, OH
133	101	**Holiday Cos**/gasoline retailing, convenience stores	1,000e	5,000	Ronald Erickson	Minneapolis, MN
134	■	•**Kash n' Karry Food Stores**/grocery stores	1,000e	5,328	Ronald J Floto	Tampa, FL
135	■	•**Lear Siegler Seating**/automobile seats	1,000	7,000	Kenneth Way	Southfield, MI
136	75	**Oxbow**/oil, geothermal energy, coal, real estate	1,000	300	William Koch	Dedham, MA
137	115	**Simpson Timber**/lumber & plywood doors, building board	1,000e	2,100	William G Reed Jr	Seattle, WA
138	105	**Taubman Investment**/department stores, restaurants	1,000	14,000	A Alfred Taubman	Bloomfield Hills, MI
139	119	**Wegmans Food Markets**/grocery stores	1,000e	5,211	Robert B Wegman	Rochester, NY
140	■	•**Eagle Food Center**/grocery stores	999	7,869	Pasquale V Petitti	Milan, IL
141	151	**Andersen Corp**/windows, patio doors	983	3,900	W Arvid Wellman	Bayport, MN
142	168	**Crowley Maritime**/diversified maritime company	980	5,000	Thomas B Crowley	San Francisco, CA
143	109	**Schnuck Markets**/grocery stores	975e	2,936	Donald O Schnuck	Bridgeton, MO
144	108	**Perdue Farms**/poultry processing	973	12,700	Donald W Mabe	Salisbury, MD
145	129	•**Amsted Industries**/RR equip, industrial equip, bldg mtrls	960	8,700	Robert H Wellington	Chicago, IL
146	122	**First Brands**/consumer prods	925	3,900	Alfred E Dudley	Danbury, CT

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The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
147	■	**Polo/Ralph Lauren**/apparel	$925e	1,500	Peter Strom	New York, NY
148	144	**Thrifty Oil**/petroleum, convenience stores	924	1,350	Ted Orden	Downey, CA
149	189	**MagneTek**/electronic equipment	910	13,000	Frank Perna Jr	Los Angeles, CA
150	145	**Clark Enterprises**/commercial construction	900e	2,500	A James Clark	Bethesda, MD
151	118	**DeMoulas Super Markets**/grocery stores	900	7,000	TA DeMoulas	Tewksbury, MA
152	147	**Golub**/grocery stores	900e	4,000	Lewis Golub	Schenectady, NY
153	123	**Grocers Supply Co**/food wholesaling	900	1,100	Milton Levit	Houston, TX
154	114	**Raley's**/grocery stores	900	6,000	Thomas P Raley	West Sacramento, CA
155	148	**Rockefeller Group**/real estate, telecomm, entertainment	900e	3,700	Richard A Voell	New York, NY
156	111	**Tauber Oil**/petroleum & petrochemical wholesaling	900e	50	Of Tauber Jr	Houston, TX
157	127	**Axel Johnson & Co**[1]/energy, industrial prods, electronics	890	1,600	Vernon R Anderson	New York, NY
158	121	**Potamkin**/auto dealerships	890e	3,000	Victor Potamkin	New York, NY
159	120	**Hunt Corp**/general contractor, construction manager	885	3,200	Robert C Hunt	Indianapolis, IN
160	128	•**Levitz Furniture**/furniture retailing	885	6,400	Robert M Elliott	Boca Raton, FL
161	161	**Domino's Pizza**/pizza delivery	884	15,000	Thomas S Monaghan	Ann Arbor, MI
162	135	•**Tops Markets**/grocery stores, convenience stores	883	2,910	Savino P Nanula	Buffalo, NY
163	134	•**Golden State Foods**/food process & distrib for McDonald's	880	1,450	James E Williams	Pasadena, CA
164	166	**Maritz**/marketing & business services	871	4,500	William E Maritz	Fenton, MO
165	■	•**Epic Healthcare Group**/hospitals	861	10,000	Ken S George	Irving, TX
166	■	**Dyson-Kissner-Moran**/multicompany	853	3,542	John A Moran	New York, NY
167	■	•**MorningStar Foods**/dairy & food processing	853	4,000	James W Parker	Dallas, TX
168	■	•**DynCorp**/electrical contracting & technical svcs	850	16,000	Dan Bannister	Reston, VA
169	■	•**Kendall Co**/health care prods	850	10,000	J Dale Sherratt	Boston, MA
170	259	**Merchants Distributors**/food wholesaling	850	3,000	Boyd George	Hickory, NC
171	156	**Pacific Holding**/multicompany	850e	4,400	David H Murdock	Los Angeles, CA

One of America's largest mail-order retailers is Freeport, Me.-based L.L. Bean, with $493 million in revenues.

172	165	**Hughes Markets**/dairy, grocery stores	840	4,500	Fred B McLaren	Los Angeles, CA
173	140	•**GLI Holding**/Greyhound bus lines	830e	12,000	Fred G Currey	Dallas, TX
174	■	•**MWC**/pharmaceutical wholesaler	828	700	Mel Whitmere	Folsom, CA
175	167	**84 Lumber**/retail building materials	821	3,000	Joseph A Hardy Sr	Eighty Four, PA
176	■	**William Lyon**/home building	821	950	William Lyon	Newport Beach, CA
177	192	**Duchossois Industries**/railroad equipment	820	8,000	Richard L Duchossois	Elmhurst, IL
178	141	**Hunt Consolidated**/petroleum & gas exploration & refining	820e	2,500	Ray L Hunt	Dallas, TX
179	■	•**Pueblo International**/grocery stores	816	5,000	David Morrow	San Juan, PR
180	■	•**Safeway Texas Division**/grocery stores	815	2,900	Dean Gantt	Houston, TX
181	146	**Ferrell Cos**/propane gas	810	2,591	James E Ferrell	Liberty, MO
182	■	**American Protection Inds**/burglar alarms, Franklin Mint	805	4,712	Neil Bersch	Los Angeles, CA

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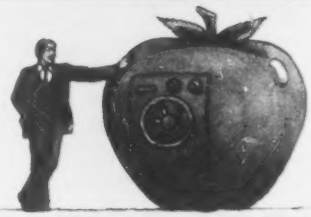
The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
183	154	**Esprit de Corp**/apparel	$800	4,000	Corrado Federico	San Francisco, CA
184	181	**Randall's Food Markets**/grocery stores	800	2,331	Robert R Onstead	Houston, TX
185	138	**Schreiber Foods**/food processing	800	2,300	Robert G Bush	Green Bay, WI
186	■	•**United Refining**/petroleum refining	800	3,000	John A Catsimatidis	Warren, PA
187	132	**Amerco**/U-Haul vehicle rental	795	13,000	Edward J Shoen	Phoenix, AZ
188	163	•**Cone Mills**/textiles	776	10,800	Dewey L Trogdon	Greensboro, NC
189	321	•**J&L Specialty Products**/flat-rolled stainless steel	774	1,400	Claude F Kronk	Pittsburgh, PA
190	170	•**Guardian Industries**/flat glass	761	7,211	William Davidson	Northville, MI
191	179	**Jordan Company**/multicompany	750	8,500	John W Jordan II	New York, NY
192	■	•**JPS Textile Group**/carpet, elastics, yarn, apparel fibers	750	9,000	Jerry E Hunter	Greenville, SC



New York is the site of 68 of the largest private companies, more than any other state.

193	196	**Oklahoma Publishing**/publishing, broadcasting, entertain	750	8,000	Edward L Gaylord	Oklahoma City, OK
194	NA	•**Printing Holding, LP**[1]/printing	750	5,300	Gerald S Armstrong	New York, NY
195	143	•**Red Owl Stores**/food wholesaling	750	1,300	C Patrick Schulke	Hopkins, MN
196	136	**McDevitt & Street**/general contractor, commcl, ind, instit	748	2,635	E Robert Street	Charlotte, NC
197	164	**Holman Enterprises**/auto dealerships, parts remanufacturing	745	1,952	Joseph S Holman	Pennsauken, NJ
198	■	•**First American Bankshares**/bank holding	738	5,715	Robert G Stevens	Washington, DC
199	261	**Ruffin Cos**/petrol broker, convenience strs, handtruck mfg	738	800	Phil G Ruffin	Wichita, KS
200	■	•**Essex Group**/wire, cable and electrical insulation	737	4,000	John M Bruce	Fort Wayne, IN
201	183	**Young & Rubicam**/advertising	736	11,000	Alexander Kroll	New York, NY
202	245	**Paragon Group**/real estate devel & mgmt	733	1,600	WR Cooper	Dallas, TX
203	■	•**Arkansas Best**/trucking	732	10,492	Robert A Young III	Fort Smith, AR
204	■	•**Bell & Howell**/publishing, info systems	727	8,000	Gerald Schultz	Skokie, IL
205	160	**Lennox International**/climate-control equipment	725e	6,500	John W Norris Jr	Dallas, TX
206	213	**Southwire**/metal fabricating, wire & cable manufacturing	718	3,873	Roy Richards Jr	Carrollton, GA
207	■	**Braman Enterprises**/auto dealerships	710e	825	Norman Braman	Miami, FL
208	■	•**Singer**/defense electronics	709e	11,500	WF Smied	Stamford, CT
209	■	**TRC**/restaurants	707	7,800	Donald N Smith	Itasca, IL
210	■	•**Tracor**/electronics, instrument & component mfg	702	11,000	Mellon C Baird	Austin, TX
211	176	**Rich Products**/frozen foods, ...ro sports, broadcasting	702	5,800	Robert E Rich Jr	Buffalo, NY
212	191	**Associated Metals & Minerals**/steel trading	700e	210	Stefan E Eliel	White Plains, NY
213	152	•**Channel Home Centers**/home improvement centers	700	8,500	Leon Berger	Whippany, NJ
214	■	•**Farm Fresh**/grocery stores	700	5,000	Michael E Julian	Norfolk, VA
215	238	•**Hyster**/forklift trucks, mtrl handling equip	700	5,000	J Phillip Frazier	Portland, OR
216	■	•**National Car Rental**/car rental	700e	9,000	Vincent A Wasik	Minneapolis, MN
217	125	**Trump Organization**/hotels & casinos, real estate devel	700e	20,000	Donald J Trump	New York, NY
218	199	**Wilbur-Ellis**/distributing farm supplies	700	1,200	Carter P Thacher	San Francisco, CA
219	198	**Science Applications International**/R&D, sys integration	694	7,000	Dr JR Beyster	San Diego, CA

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The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
220	178	**Johnson & Higgins**/insur brokerage, risk mgmt consultants	$690	7,575	Robert V Hatcher Jr	New York, NY
221	190	•**Arcata**/bo[illegible] & magazine printing	690e	6,800	Edward L Scarff	San Francisco, CA
222	142	**McCarthy**/commercial & institutional construction	685	1,325	Michael M McCarthy	St Louis, MO
223	221	**Brenlin Group**/metal fabricating, steel	660e	3,600	David L Brennan	Akron, OH
224	162	**First Texas Financial**/savings & loan	658	2,547	J Livingston Kosberg	Dallas, TX
225	150	**Oppenheimer & Co**/securities brokerage, investment bank	658	2,400	Stephen Robert	New York, NY
226	■	**Tishman Realty & Construction**/construction mgmt, real est	655	775	John Tishman	New York, NY
227	206	•**Exide**/batteries	652	5,000	Arthur Hawkins	Reading, PA
228	■	**American Breco**/supermarkets, real estate, ranching	650	5,300	Alfredo Brener	Los Angeles, CA
229	194	**MediaNews Group**/newspapers	650	6,000	W Dean Singleton	Houston, TX
230	■	**Placid Oil**/oil & gas exploration	650	1,100	CD Brown	Dallas, TX
231	229	**Roseburg Forest Products**/forest prods	650	5,300	John Stephens	Roseburg, OR
232	225	**Tang Industries**/metal fabricating & distributing	650	3,000	Cyrus Tang	Elk Grove Village, IL
233	272	**C&S Wholesale Grocers**/wholesale grocery distributors	648	850	Lester Cohen	Brattleboro, VT
234	■	**VT**/auto dealerships	646	2,500	Cecil Van Tuyl[1]	Mariam, KS
235	■	•**Johnston Coca-Cola Bottling**/soft drink bottling	646	3,700	Summerfield Johnston	Chattanooga, TN
236	■	•**Pullman**/ind & transport equip, auto parts	643	9,000	Richard W Vieser	Princeton, NJ
237	■	•**Insilco**/metal fabricating, electronics, commun, paint	640	9,000	Donald J Harper	Meriden, CT
238	249	**Crown American**/depart stores, real estate mgmt & devel	639	13,000	Frank J Pasquerilla	Johnstown, PA
239	110	**Mellon Stuart Holdings**/commercial construction	639	1,450	Robert Luffe	Pittsburgh, PA
240	202	**United Van Lines**/moving services	631	900	Robert J Baer	Fenton, MO
241	186	•**Ticor**/title insurance & real estate tax svcs	627	6,200	Winston V Morrow	Los Angeles, CA
242	244	**Young's Market**/food & liquor wholesaling	626	1,400	Vernon Underwood Jr	Los Angeles, CA
243	■	**Farmstead Foods**/meatpacking	620	3,200	Keith Barnes	Albert Lea, MN
244	200	•**King Kullen Grocery**/supermarkets	620	2,050	John B Cullen	Westbury, NY

The 400 largest private companies have combined revenues of $523 billion, versus $2.6 trillion for the 400 largest public firms.

245	■	•**Metromedia**/restaurants, telecommunications, investing	620[2]	3,000	John W Kluge	Secaucus, NJ
246	216	•**Ampex**[3]/tv, broadcast equip, magnetic tape	619	6,700	Max O Mitchell	Redwood City, CA
247	188	•**Playtex**/personal care garments & prods	614	8,000	Joel E Smilow	Stamford, CT
248	207	**Battelle Memorial Institute**/research & develop	610	8,240	Dr Douglas E Olesen	Columbus, OH
249	201	•**Warnaco**/apparel	609	11,700	Linda J Wachner	New York, NY
250	257	**Phelps**/commercial construction & mfg	607	2,300	Robert G Tointon	Greeley, CO
251	215	**Brookshire Grocery**/grocery stores	605e	6,000	Bruce G Brookshire	Tyler, TX
252	218	**Rock Island Refining**/petroleum refining	604	1,800	William E Huff	Indianapolis, IN
253	182	**Drummond**/coal	603	3,300	Garry N Drummond	Jasper, AL
254	203	•**Big V Supermarkets**/grocery stores	600	1,650	David G Bronstein	Florida, NY
255	209	**B Green & Co**/food wholesaling, grocery stores	600	1,700	Bernard Green	Baltimore, MD

■ Not on last year's list. •Went private via leveraged buyout since 1980. e: Estimate [1]Larry Van Tuyl is co-CEO.
[2]Company provided estimate for fiscal 1988; excludes 60%-owned Orion Pictures. [3]Listed as Shereborne Group last year.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
256	■	•Jim Walter/building materials	$600	3,200	Kenneth E Hyatt	Tampa, FL
257	195	Metallurg/metals mining	600	3,500	Michael A Standen	New York, NY
258	■	Red Apple Cos/grocery stores	600	5,000	John A Catsimatidis	New York, NY
259	227	Schwan's Sales Enterprise/frozen foods	600	6,000	Marvin Schwan	Marshall, MN
260	226	WWF Paper/fine paper distributor	600	750	Edward V Furlong Jr	Bala Cynwyd, PA
261	106	Wyatt/petroleum wholesaling	600[1]	90	Kirk F Blanchard	New Haven, CT
262	131	•Parsons Corp/engineering & construction	592	7,000	William E Leonhard	Pasadena, CA
263	172	PIE Nationwide/trucking	588	8,000	Charles F Rodgers	Jacksonville, FL
264	174	•Mayflower Group/moving svcs	585	1,953	John B Smith	Carmel, IN
265	307	Encyclopedia Britannica/reference books, educ svcs	583e	1,200	Robert P Gwinn	Chicago, IL

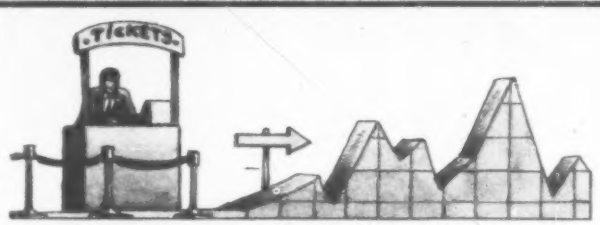
American Standard is among the firms that got on this list by going private in an LBO in the past year. Others: Bell & Howell, Best Products, Duracell, Montgomery Ward, Payless Cashways, Singer, Southland and Stop & Shop Cos.

266	185	•Bath Iron Works/ship building	578	7,500	William E Haggett	Bath, ME
267	■	Eby-Brown Cos/candy, tobacco, food & merchandise distrib	575	536	Richard Wake[2]	Aurora, IL
268	169	Worldwide Volkswagen/auto distributing	574	400	Victor Elmaleh[3]	Orangeburg, NY
269	223	JM Petroleum/petroleum transporting	570	200	James C Musselman	Dallas, TX
270	224	North Pacific Lumber/wholesale forest, agricul, steel prods	567	377	Leo T Gibbons	Portland, OR
271	246	The Andersons/agribusiness, consumer products	566	875	Richard P Anderson	Maumee, OH
272	219	Irvine Co/real estate devel	565	400	Donald Bren	Newport Beach, CA
273	205	•Morse Shoe/shoes	558	4,300	Manuel Rosenberg	Canton, MA
274	236	Bartlett & Co/grain, flour, cattle feed	550	550	Paul D Bartlett Jr	Kansas City, MO
275	■	Chase Enterprises/real estate, insurance, communications	550e	5,200	David Chase	Hartford, CT
276	326	Gordon Food Service/food distributing	550	1,250	Paul Gordon	Grand Rapids, MI
277	281	Minyard Food Stores/grocery stores	550	5,500	Liz Minyard[4]	Coppell, TX
278	■	•RAB Holdings/holding company	550	2,500	Richard A Bernstein	New York, NY
279	■	Save Mart Supermarkets/grocery stores	550	3,500	Robert Piccinini	Modesto, CA
280	■	•White Swan/wholesale food & nonfood prods	550	1,800	Ronald E Elmquist	Ft Worth, TX
281	130	Barton-Malow Enterprises/construc mgmt, gen contracting	547	1,200	Ben C Maibach Jr	Southfield, MI
282	■	•Stanadyne/diesel fuel injection systems, plumbing suppl	544	5,300	George Michel	Windsor, CT
283	184	HCB Contractors/general contracting, construction mgmt	542	1,000	Lawrence A Wilson	Dallas, TX
284	262	JM Huber/energy, rubber, natural resources	542	3,850	Michael W Huber	Edison, NJ
285	124	Lykes Bros/food processing, insurance	542e	2,500	Charles P Lykes	Tampa, FL
286	■	Morse Operations/auto dealerships	538	734	EJ Morse Sr	Fort Lauderdale, FL
287	264	Inland Real Estate/real estate mgmt, insur brokerage	538e	1,500	Daniel L Goodwin	Oak Brook, IL
288	352	PMC/specialty chemicals	535	3,500	Philip Kamins	Sun Valley, CA
289	■	Jitney-Jungle Stores/grocery stores	530	2,500	WH Holman Jr	Jackson, MS
290	254	•Kane-Miller/meatpacking	528	1,000	Stanley B Kane	Tarrytown, NY
291	233	•Pamida/discount department stores	526	5,000	C Clayton Burkstrand	Omaha, NE

■ Not on last year's list. •Went private via leveraged buyout since 1980. e: Estimate. [1]Figures for fiscal year-end October 1987. [2]Thomas Wake is copresident. [3]Frank Stanton is cochairman. [4]Gretchen Williams is cochairman.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
292	325	**Continental Cablevision**/cable broadcasting	$519e	3,500	Amos B Hostetter Jr	Boston, MA
293	260	**UIS**/auto parts	516	6,000	Harry Lebensfeld	New York, NY
294	248	**Austin Industries**/general contracting, construction, engin	515	6,500	William T Solomon	Dallas, TX
295	210	•**Republic Health**/hospitals	515	5,000	Bryan P Marsal	Dallas, TX
296	212	**Thomson McKinnon Securities**/securities brokerage	510	5,198	J Ronald Morgan	New York, NY
297	■	•**Musicland Group**/specialty music stores	510	2,300	JW Eugster	Minneapolis, MN
298	■	**Schneider National**/trucking	510	6,500	Donald J Schneider	Green Bay, WI
299	315	**Towers, Perrin, Forster & Crosby**/consulting, reinsurance	510	4,500	James E Kielley	New York, NY
300	■	•**Dr Pepper/Seven-Up Cos**/soft drinks	506	847	John R Albers	Dallas, TX
301	252	**GSC Enterprises**/food wholesaling	500	1,100	Michael K McKenzie	Sulphur Springs, TX



Revenues for 1987 for the four private brokerage and investment banking firms on this list were down 12% from the year before. When the 1988 numbers come in they will probably look a lot worse.

302	235	**Aarque Cos**/metal fabricating	500e	2,700	R Quintus Anderson	Jamestown, NY
303	■	**American Restaurant Group**/restaurants	500e	18,000	Anwar Soliman	Newport Beach, CA
304	279	**Bacardi Imports**/distilled spirits & wine	500	270	Juan Grau	Miami, FL
305	180	**Builder Marts of America**/building material wholesaling	500	600	Richard E Ingram	Greenville, SC
306	■	**CC Industries**/home furnishings, paper, real estate devel	500	6,400	Neele E Stearns	Chicago, IL
307	297	**Club Corp International**/athletic clubs & resorts	500	15,000	Robert Dedman	Dallas, TX
308	■	**Consolidated Beef Industries**/meatpacking	500e	1,300	Carl Kuehne	Green Bay, WI
309	339	**Coulter Electronics**/hematology analyzers, reagents	500	5,200	Wallace H Coulter	Hialeah, FL
310	356	**Flying J**/integrated petroleum	500	1,400	O Jay Call	Brigham City, UT
311	■	**Griffin**/real estate, casino	500e[1]	5,000	Michael Nigreas	New York, NY
312	159	•**International Controls**/truck trailers, gas retailing & distrib	500e	2,915	Arthur M Goldberg	Boca Raton, FL
313	268	**McKinsey & Co**/consulting	500	3,000	Fred Gluck	New York, NY
314	239	•**Motor Wheel**/auto parts	500e	3,300	Joseph C Overbeck	Lansing, MI
315	282	•**National Beverage**/soft drink manufacturer	500	1,100	Nick A Caporella	Fort Lauderdale, FL
316	243	**Wheaton Inds**/packaging	500e	10,000	Frank H Wheaton Jr	Millville, NJ
317	■	**Georgia Crown Distributing**/beverage distribution	497e	600	Donald M Leebern Jr	Columbus, GA
318	■	•**Northwestern Steel & Wire**/carbon steel, rod & wire prods	497	2,865	Robert M Wilthew	Sterling, IL
319	241	**Schottenstein Stores**/department & furniture stores	494	7,000	Jerome Schottenstein	Columbus, OH
320	323	**LL Bean**/outdoor sporting goods retailing & mfg	493	2,800	Leon A Gorman	Freeport, ME
321	255	•**Coca-Cola Bottling Co of NY**/soft drink bottling	490e	3,000	James Maloney	Greenwich, CT
322	312	**Walton Monroe Mills**/textiles	490	4,800	G Stephen Felker	Monroe, GA
323	■	•**AFG Industries**/flat glass manufacturing	488	5,500	RD Hubbard	Fort Worth, TX
324	■	**Pepper Companies**/commercial construction	478	1,200	Richard S Pepper	Chicago, IL
325	■	**Harbert**/commercial construct, real est devel, oil & gas	477	800	John M Harbert III	Birmingham, AL
326	232	**SnyderGeneral**/climate control equipment	477	4,300	Richard W Snyder	Dallas, TX
327	■	•**Hallmark Electronics**/electronics, computer sys	475	1,450	Jack Turpin	Dallas, TX
328	■	**Lewis Homes**/home building	475e	600	Randall Lewis	Upland, CA

■ Not on last year's list. •Went private via leveraged buyout since 1980. e: Estimate. [1]Results include pending acquisition of properties from Resorts International.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales ($millions)	Employees	Chief executive	City, state
329	247	•**Marley**/diversified manufacturing	$475	5,800	Robert J Dineen	Shawnee Mission, KS
330	234	•**Joy Technologies**/mining & industrial equipment	472	4,300	Roy Wennerholm Jr	Pittsburgh, PA
331	289	**Worldmark**/bldg materials, intermediate aluminum prods	469	1,098	Dean Rhoads	North Palm Beach, FL
332	266	**Continental Cos**/hotel mgmt	465	12,000	Sherwood M Weiser	Miami, FL
333	253	**HB Zachry**/general contractor	465	6,282	H Bartell Zachry Jr	San Antonio, TX
334	265	**Coca-Cola Bottling Co of Chicago**/soft drink bottling	464e	1,800	Marvin J Herb	Chicago, IL
335	275	**Racetrac Petroleum**/convenience stores, gasoline retailing	462	1,600	Carl Bolch Jr	Atlanta, GA
336	267	**Koll**/real estate development, general contractor	458	790	Donald M Koll	Newport Beach, CA
337	■	**Dobbs Brothers Management**/auto dealerships	458	1,400	Jimmy Dobbs III	Memphis, TN
338	278	**Schwegmann Giant Super Markets**/grocery stores	456	4,500	John F Schwegmann	New Orleans, LA
339	273	**Chemcentral**/chemical distributing	450	750	H Daniel Wenstrup	Bedford Park, IL
340	298	**Day & Zimmermann**/engin, consult, bus svcs, real est	450e	13,000	Harold L Yoh Jr	Philadelphia, PA
341	231	•**Harte-Hanks Communications**/newspaper & shopper publ	450	8,000	Bob Marbut	San Antonio, TX
342	274	**Hendrick Management**/auto dealerships	450	1,100	JR Hendrick III	Charlotte, NC
343	300	•**McLouth Steel Products**/steel	450	2,200	Edward L Sambuchi	Trenton, MI
344	293	•**Meadowdale Foods**/grocery stores, food wholesaling	450e	1,670	David K Page	Detroit, MI
345	271	**Moyer Packing**/meatpacking & processing	450e	1,100	Curtis F Moyer	Souderton, PA
346	305	•**Research-Cottrell**/environmental svcs	450e	2,400	Benjamin Rawls	Somerville, NJ
347	270	**Rosenthal Cos**/auto dealerships	450	1,200	Robert M Rosenthal	Arlington, VA
348	286	•**Seligman & Latz**/jewelry, cosmetics	450	6,000	David B Cornstein	New York, NY
349	335	**United Company**/coal, oil, gas, real estate, financial svcs	450	1,300	James W McGlothlin	Bristol, VA
350	263	•**Ceco**/building materials	449	6,500	Erwin E Schulze	Oakbrook Terrace, IL
351	157	**Warren Equities**/petroleum prods, convenience stores	446	925	Warren Alpert	New York, NY
352	314	**Investors Management**/restaurants	445	18,500	James H Maynard	Raleigh, NC
353	■	**Curry**/auto dealerships	444	1,100	Bernard F Curry	Scarsdale, NY

Public or foreign acquirers bought these private companies in the last year: Bumble Bee Seafoods, Cain Chemical, Diamandis Communications, Malone & Hyde and Triangle Publications.

354	■	**Jack Kent Cooke**/holding company	443e	3,020	Jack Kent Cooke	Middleburg, VA
355	■	**Rock-Tenn**/paperboard & packaging prods	442	4,000	A Worley Brown	Norcross, GA
356	332	•**AutoZone**[1]/auto part stores	440	4,800	JR Hyde III	Memphis, TN
357	324	**ER Carpenter**/plastic foams	440	5,000	Stanley F Pauley	Richmond, VA
358	242	**Walbridge, Aldinger**/general contractors & construct mgmt	440	575	John Rakolta Jr	Livonia, MI
359	■	**Bill Heard Enterprises**/auto dealerships	439	1,100	Bill Heard Jr	Columbus, GA
360	283	**RB Pamplin**/textiles, concrete, asphalt	438	6,200	RB Pamplin	Portland, OR
361	155	**Horsehead Industries**/industrial waste recycling	430	2,700	William E Flaherty	New York, NY
362	■	**ICC Industries**/chemicals	430	1,200	John Farber	New York, NY
363	■	•**National Cleaning Contractors**/building maintenance svcs	430	21,000	M Sweig	New York, NY
364	■	•**Pay 'N Pak**/home improvement stores	429	2,200	David J Heerensperger	Kent, WA

■ Not on last year's list. •Went private via leveraged buyout since 1980. e Estimate. [1]Listed as AutoShack last year.

The 400 Largest Private Companies in the U.S.

Rank this year	Rank last year	Company/business	Sales (millions)	Employees	Chief executive	City, state
365	■	**General Felt Industries**/carpet, accessories, furniture	$427	3,500	Rocco A Barbieri	Saddle Brook, NJ
366	299	**WL Gore & Assocs**/Gore-Tex fabrics, electronics, indus prods	426e	4,796	Robert W Gore	Newark, DE
367	296	**Booz, Allen & Hamilton**/intl mgmt & technology consult	425	3,725	RM McCullough	New York, NY
368	■	**Alling and Cory**/paper, packaging & business prods	423	1,000	Samuel T Hubbard Jr	Rochester, NY
369	287	**McWane**/pipe mfg, water treatment	420e	3,000	JR McWane	Birmingham, AL
370	■	**Transnational Motors**/wholesaler & distrib of Mazdas	420	124	Robert L Hooker	Grand Rapids, MI
371	353	**International Data Group**/info svcs on information tech	419	3,000	Patrick J McGovern	Framingham, MA
372	277	•**CR Anthony**/department stores	415e	6,000	John J Weisner	Oklahoma City, OK
373	■	**Flint Ink**/printing ink	415	2,650	Robert H Flint	Detroit, MI
374	328	**Home Interiors & Gifts**/wholesale decorative accessories	415	1,500	Donald J Carter	Dallas, TX

66 of these companies have helped put people on The Forbes Four Hundred list of the richest people in America.

375	■	**Quad/Graphics**/printing	415	3,200	HV Quadracci	Pewaukee, WI
376	344	•**Lykes Brothers Steamship**/ocean freight transport	413	2,000	WJ Amoss Jr	New Orleans, LA
377	295	**Asplundh Tree Expert**/tree trimming for elec utilities	412e	12,500	Edward K Asplundh	Willow Grove, PA
378	382	**Alamo Rent A Car**/car rental	410	3,000	Michael S Egan	Fort Lauderdale, FL
379	338	**Wawa**/convenience stores	410	1,500	Richard D Wood Jr	Wawa, PA
380	310	**Almacs**/grocery stores	407	1,064	AW Pike	East Providence, RI
381	276	**MA Mortenson**/general contractors, construction mgrs	406	950	MA Mortenson Jr	Minneapolis, MN
382	331	**Journal Communications**/newspapers, broadcasting, printing	404	3,800	Thomas J McCollow	Milwaukee, WI
383	251	**Central Newspapers**/newspapers	403	5,000	Frank E Russell	Indianapolis, IN
384	357	**Sverdrup Corp**/engineering, architect, construct, real est	403	4,500	Brice R Smith Jr	St Louis, MO
385	291	**Alberici**/commercial & industrial construction	403	1,235	Raymond F Pieper	St Louis, MO
386	■	•**Dan River**/textiles, floor coverings, chemicals	400e	7,100	LA Hudson	Danville, VA
387	319	**Freedom Newspapers**/publishing, broadcasting	400e	5,000	DR Segal	Irvine, CA
388	237	**Greenwood Mills**/textiles	400e	6,500	JC Self Jr	Greenwood, SC
389	333	**Haworth**/office furniture	400	2,800	Richard G Haworth	Holland, MI
390	362	**Humiston-Keeling**/wholesale drug distribution	400	195	Burton H Olin	Chicago, IL
391	■	•**Kohl's Department Stores**/department stores	400e	5,100	William Kellog	Brookfield, WI
392	■	**Lusk Co**/residential construction	400	600	John D Lusk	Irvine, CA
393	■	**McJunkin**/piping, electrical equip	400	1,000	HB Wehrle Jr	Charleston, WV
394	322	**Microdot**/fasteners, connectors	400e	4,000	Richard P Strubel	Chicago, IL
395	■	**John L Morris Affiliated Sports & Leisure Co**/outdoor prods	400e	2,200	John L Morris	Springfield, MO
396	306	•**Palm Beach**/apparel manufacturing	400	5,800	Alfred P Fuoco	Cincinnati, OH
397	301	**Pony Industries**/specialty chemicals, building materials	400e	2,400	William E Haherty	New York, NY
398	388	**Refco Group Ltd**/futures & options brokerage	400	500	Tone Grant	Chicago, IL
399	280	**Fresh Mark**/meatpacking	399e	1,700	Neil Genshaft	Massillon, OH
400	337	**Rugby-Darby Group**/health care prods	398e	2,000	Michael Ashkin	Rockville Centre, NY

■ Not on last year's list • Was public before acquired by current owner (1986) ◇ Financial ◇ Acquisition by Crystal Brands (public company) pending

The 400 Largest Private Companies in the U.S.

This alphabetical listing shows the 400 largest private companies in the U.S. For those companies taken private since 1980, the year the transaction was completed is provided. The story begins on page 178. The sales ranking begins on page 180.

Company	Rank	Company	Rank	Company	Rank
A-Mark Financial	128	LL Bean	320	Continental Cablevision	292
Aarque Cos	302	Beatrice/1986	18	Continental Cos	332
Advance Publications	41	Bechtel Group	12	Continental Grain	3
AFG Industries/1988	323	BeefAmerica	129	Jack Kent Cooke	354
Alamo Rent A Car	378	Belk Brothers	63	Coopers & Lybrand	38
Alberici	385	Bell & Howell/1988	204	Coulter Electronics	309
John Alden Financial/1987	99	Best Products/1988	51	Cox Enterprises	68
Alling and Cory	368	Big V Supermarkets/1987	254	Crowley Maritime	142
Almacs	380	Booz, Allen & Hamilton	367	Crown American	238
Amerco	187	Borg-Warner/1987	22	Cullum Cos/1988	126
American Breco	228	Braman Enterprises	207	Cumberland Farms	55
American Financial/1981	33	Brenlin Group	223	Curry	353
American Protection Inds	182	Brookshire Grocery	251	Dan River/1983	386
American Restaurant Group	303	Builder Marts of America	305	Day & Zimmermann	340
American Standard/1988	23	Burlington Industries/1987	28	Edward J DeBartolo	121
Ampex/1987	246	HE Butt Grocery	45	Delaware North Cos	87
Amstar/1984	124	C&S Wholesale Grocers	233	Deloitte Haskins & Sells	59
Amsted Industries/1986	145	Cargill	1	DeMoulas Super Markets	151
Amway	80	Carlson Cos	15	DHL Worldwide Express	88
Andersen Corp	141	ER Carpenter	357	Dillingham Construction/1983	110
Arthur Andersen & Co	31	CC Industries	306	Dobbs Brothers Management	337
The Andersons	271	Ceco/1986	350	Dr Pepper/Seven-Up Cos/1984	300
Anschutz	44	Central Newspapers	383	Dominick's Finer Foods/1981	61
CR Anthony/1987	372	Channel Home Centers/1986	213	Domino's Pizza	161
ARA Services/1984	17	Charter Medical/1988	92	Drexel Burnham Lambert	24
Arcata/1982	221	Chase Enterprises	275	Drummond	253
Arkansas Best/1988	203	Chemcentral	339	Duchossois Industries	177
Asplundh Tree Expert	377	Chilewich Sons	130	Dunavant Enterprises	94
Associated Metals & Minerals	212	Clark Enterprises	150	Duracell/1988	95
Astroline	35	Club Corporation International	307	DynCorp/1988	168
Austin Industries	294	Coca-Cola Bottling Co of Chicago	334	Dyson-Kissner-Moran	166
AutoZone/1987	356	Coca-Cola Bottling Co of NY/1982	321	Eagle Food Center/1987	140
Avis/1986	123	Cole National/1986	103	Eby-Brown Cos	267
Bacardi Imports	304	Colt Industries/1988	70	Jack Eckerd/1986	32
Bartlett & Co	274	Cone Mills/1984	188	84 Lumber	175
Barton-Malow Enterprises	281	Connell Limited Partnership/1985	114	Encyclopaedia Britannica	265
Bath Iron Works/1986	266	Connell Rice & Sugar	93	Epic Healthcare Group/1988	165
Battelle Memorial Institute	248	Consolidated Beef Industries	308	Ernst & Whinney	48

The 400 Largest Private Companies in the U.S.

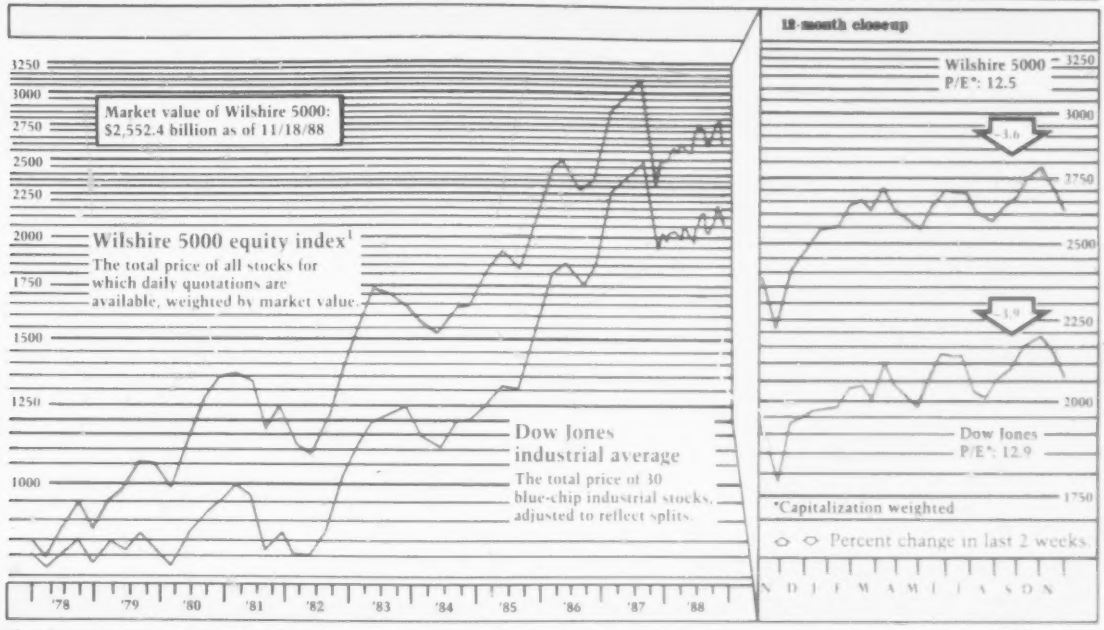
Company	Rank
Esprit de Corp	183
Essex Group/1988	200
Estee Lauder	72
Exide/1983	227
Farley Industries	50
Farm Fresh/1988	214
Farmstead Foods	243
Ferrell Cos	181
Fidelity Investments	117
Finevest Services	56
First American Bankshares/1982	198
First Brands	146
First Texas Financial	224
Flint Ink	373
Flying J	310
Fort Howard/1988	66
Frank Consolidated Enterprises	119
Freedom Newspapers	387
Fresh Mark	399
Furr's	96
E&J Gallo Winery	131
Gates	109
Gateway Foods	42
General Felt Industries	365
Georgia Crown Distributing	317
Giant Eagle	73
Gilbane Building	122
Gillett Group	111
GLI Holding/1986	173
Global Petroleum	102
Golden State Foods/1980	163
Goldman, Sachs	19
Golub	152
Gordon Food Service	276
WL Gore & Assocs	366
Grand Union/1988	29
Graybar Electric	64
B Green & Co	255
Greenwood Mills	388
Griffin	311
Grocers Supply Co	153
GSC Enterprises	301
Guardian Industries/1985	190
Gulf States Toyota	74
H Group Holdings	43
Hallmark Cards	46
Hallmark Electronics/1988	327
Harbert	325
Harris Wholesale	132
Harte-Hanks Communications/1984	341
Hartz Mountain	116
Haworth	389
HCB Contractors	283
HealthTrust/1987	76
Bill Heard Enterprises	359
Hearst Corp	57
Helmsley-Spear	84
Hendrick Management	342
Hillman	104
Hillsborough Holdings/1988	62
Holiday Cos	133
Holman Enterprises	197
Home Interiors & Gifts	374
Hook-SupeRx/1986	97
Horsehead Industries	361
JM Huber	284
Hughes Markets	172
Hamiston-Keeling	390
Hunt Consolidated	178
Hunt Corp	159
Hy-Vee Food Stores	77
Hyster/1984	215
ICC Industries	362
Ingram Inds	107
Inland Real Estate	287
Insilco/1988	237
International Controls/1987	312
International Data Group	371
Investors Management	352
Irvine Co	272
J&L Specialty Products/1986	189
Jitney-Jungle Stores	289
JM Family Enterprises	49
JM Petroleum	269
JMB Realty	108
Johnson & Higgins	220
Axel Johnson & Co	157
SC Johnson & Son	39
Johnston Coca-Cola Bottling/1982	235
Jordan Company	191
Journal Communications	382
Joy Technologies/1986	330
JPS Textile Group/1988	192
Kane-Miller/1984	290
Kash n' Karry Food Stores/1988	134
Kendall Co/1988	169
Peter Kiewit Sons'	10
King Kullen Grocery/1980	244
Knoll International Holdings	79
Koch Inds	2
Kohl's Department Stores/1986	391
Kohler	120
Koll	336
LaSalle Energy/1987	115
Lear Siegler Seating/1988	135
Leaseway Transportation 1987	81
Lefrak Organization	34
Lennox International	205
Levi Strauss/1985	30
Levitz Furniture/1985	160
Lewis Homes	328
Lincoln Property	118
Lusk Co	392
Lykes Bros	285
Lykes Brothers Steamship/1983	376
William Lyon	176
MacAndrews & Forbes Holdings/1983	36
RH Macy/1986	9
MagneTek	149
Maritz	164
Marley/1981	329
Marmon Group	25
Mars	7
Mayflower Group/1986	264
McCarthy	222
McDevitt & Street	196
McJunkin	393
McKinsey & Co	313
McLane	60
McLouth Steel Products/1982	343
McWane	369
Meadowdale Foods/1987	344
MediaNews Group	229
Meijer	58
Mellon Stuart Holdings	239
Merchants Distributors	170
Metallurg	257
Metromedia/1984	245
Microdot	394
Milliken & Co	40
Minyard Food Stores	277
Montgomery Ward & Co/1988	11
MorningStar Foods/1988	167

The 400 Largest Private Companies in the U.S.

Company	Rank	Company	Rank	Company	Rank
John L Morris Affil Sports & Leisure	395	Reader's Digest Association	75	Tauber Oil	156
Morse Operations	286	Red Apple Cos	258	Taubman Co	26
Morse Shoe/1988	273	Red Owl Stores/1986	195	Taubman Investment	138
MA Mortenson	381	Refco Group Ltd	398	Thomson McKinnon Securities	296
Motor Wheel/1986	314	Reliance Electric/1986	86	Thrifty Oil	148
Moyer Packing	345	Republic Health/1986	295	Ticor/1985	241
Musicland Group/1988	297	Research-Cottrell/1987	346	Tishman Realty & Construction	226
MWC/1988	174	Restaurant Enterprises Group/1986	101	TLC Beatrice Intl Holding/1986	83
National Amusements	100	Revco DS/1986	37	Tops Markets/1987	162
National Beverage/1985	315	Rich Products	211	Touche Ross & Co	67
National Car Rental/1986	216	Riklis Family Corp	27	Towers, Perrin, Forster & Crosby	299
National Cleaning Contractors/1981	363	Rock Island Refining	252	Tracor/1987	210
North Pacific Lumber	270	Rock-Tenn	355	Trammell Crow	90
Northwestern Steel & Wire/1988	318	Rockefeller Group	155	T[illegible] World Airlines/1988	16
Oklahoma Publishing	193	Roseburg Forest Products	231	Transammonia	112
Oppenheimer & Co	225	Rosenthal Cos	347	Transnational Motors	370
Owens-Illinois/1987	21	Ruffin Cos	199	TRC	209
Oxbow	136	Rugby-Darby Group	400	Trump Organization	217
Pacific Holding	171	Safeway Stores/1986	4	UIS	293
Palm Beach/1985	396	Safeway Texas Division/1988	180	Union Holdings	78
Pamida/1980	291	Sammons Enterprises	98	Uniroyal Goodrich Tire/1986	54
RB Pamplin	360	Save Mart Supermarkets	279	United Company	349
Paragon Group	202	Schneider National	298	United Parcel Service	5
Parsons Corp/1984	262	Schnuck Markets	143	United Refining/1981	186
Pay 'N Pak/1988	364	Schottenstein Stores	319	United Van Lines	240
Payless Cashways/1988	65	Schreiber Foods	185	VT	234
Peat Marwick Main	20	Schwan's Sales Enterprise	259	Walbridge, Aldinger	358
Penske	53	Schwegmann Giant Super Markets	338	Jim Walter/1988	256
Pepper Companies	324	Science Applications International	219	Walton Monroe Mills	322
Perdue Farms	144	Scoular	85	Warnaco/1986	249
Phelps	250	Seligman & Latz/1985	348	Warren Equities	351
PIE*Nationwide	263	Service America/1987	127	George E Warren	69
Placid Oil	230	Services Group of America	89	Wawa	379
Playtex/1986	247	JR Simplot	105	Wegmans Food Markets	139
PMC	288	Simpson Timber	137	Weirton Steel	91
Polo/Ralph Lauren	147	Singer/1988	208	Frederick Weisman	113
Pony Industries	397	SnyderGeneral	326	Wheaton Inds	316
Potamkin	158	Southland/1987	6	White Swan/1988	280
Price Waterhouse	47	Southwire	206	Wickes Lumber/1988	106
Printing Holding, LP/1984	194	Stanadyne/1988	282	Wilbur-Ellis	218
Publix Super Markets	14	Steelcase	71	Worldmark	331
Pueblo International/1988	179	Stop & Shop Cos/1988	13	Worldwide Volkswagen	268
Pullman/1988	236	Stroh Brewery	82	WWF Paper	260
Quad/Graphics	375	Supermarkets General/1987	8	Wyatt	261
RAB Holdings/1987	278	Sverdrup Corp	384	Young & Rubicam	201
Racetrac Petroleum	335	Sweet Life Foods	125	Young's Market	242
Raley's	154	Tang Industries	232	Arthur Young	52
Randall's Food Markets	184			HB Zachry	333

The Forbes/Wilshire 5000 Review

Edited by Steve Kichen



Election returns. Maybe Wall Street wanted a Bush victory, but you couldn't tell from the way the stock market reacted. For the two-week period ending Nov. 18, the Dow dropped 83 points, or 3.9%, marking the fourth straight weekly decline. In the last two weeks Sears, Roebuck, a Dow stock, lost 4⅛ (9.3%) as investors expressed their unhappiness over the firm's announced restructuring plans. Sears is currently valued at $15 billion on the New York Stock Exchange. Morgan Stanley analyst Walter Loeb says Sears' assets are worth as much as $30 billion, net of liabilities, but he does not see an LBO as a possibility. Another contributor to the Dow's decline was Procter & Gamble, off 5.6%. That's a smaller loss than Sears'. But the Dow is a price-weighted average, so the 4¾ drop in Procter & Gamble moved the index more.

The Nasdaq is now below its March level. Since the market's August 1987 peak, the Nasdaq is down 19.3%, against a 24.2% loss for the Dow.

Closeup On the Equity Markets

Performance of six leading indexes

Percent change	Wilshire 5000	Forbes 500[2]	Dow Jones industrials	NYSE Composite	Amex Market Value Index	NASDAQ Composite
in last 4 weeks	–5.9	–6.0	–5.5	–5.8	–6.3	–5.4
in last 52 weeks	11.7	10.0	7.8	10.8	18.2	17.6

Stock performance based on six key investor yardsticks

Percent change	Company size		Volatility[3]		P/E multiple		Dividend yield		Growth profile[4]		Share price	
	large	small	high	low	over 21	under 8	over 4.5%	none	high	low	over $34	under $4
in last 4 weeks	–6.4	–3.6	–5.9	–1.5	–5.7	–4.5	–3.0	–3.9	–5.1	–3.5	–5.1	–5.9
in last 52 weeks	15.8	50.4	58.6	24.7	28.3	29.5	17.4	67.9	56.1	24.0	20.7	42.0

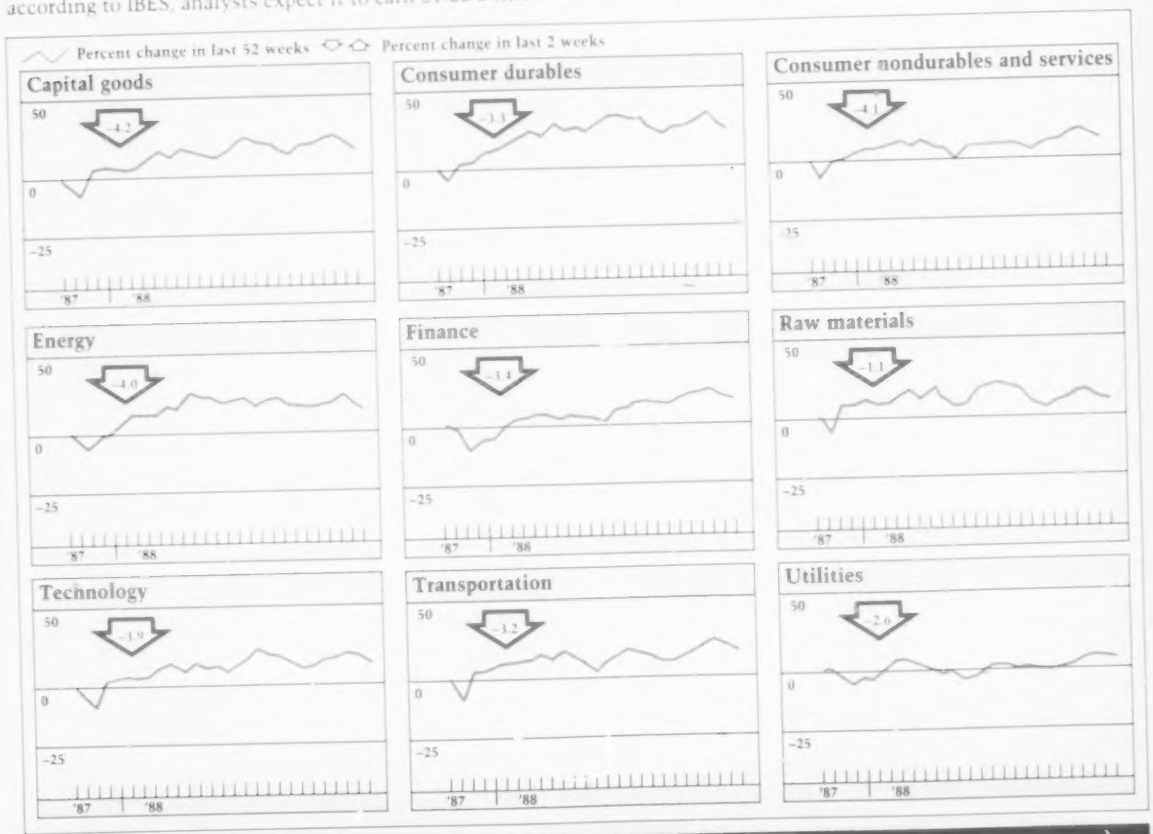
[1]Wilshire index reflects price performance. It differs slightly from market value of outstanding stocks because of retirements of equity since index was created. [2]Based on sales. [3]A stock's sensitivity to overall market movement. High volatility issues have wide price fluctuations; low volatility issues are more stable. [4]A quantitative evaluation of a stock's growth image, determined by Wilshire Associates.

Note: All data for periods ending 11/18/88. Prepared by Wilshire Associates, Santa Monica, Calif.

Where the Action Is

Nervous investors sold off all nine sectors. Hardest hit was capital goods, which fell 4.2%. In this group Harnischfeger, the Wisconsin-based manufacturer of cranes and shovels, dropped 9% even though it is having its best year since the 1982-83 recession. The stock is presently selling at 15 times trailing 12 months' earnings, but, according to IBES, analysts expect it to earn $1.22 a share in 1988 and $1.82 in 1989, which gives it an estimated 1989 P/E of 8.5.

Several technology issues—Control Data, National Semiconductor, Advanced Micro Devices, Varian Associates and Grumman—suffered double-digit losses. But Prime Computer, which became the subject of a hostile bid from a smaller firm, MAI Basic Four, gained 6%.



What the Analysts Think

Consumer durables aren't very popular these days. This group is priced at 11 times latest 12-month earnings, or less than two-thirds of the multiple it commanded before October 1987. Since our last issue, analysts have raised their 1988 earnings estimates for General Motors by 10%, to $13.14.

Forecasting the Forbes Sales 500

Performance period	Average earnings per share	P/E
latest 12 months	$3.26	11.6
1988 estimates	3.59	10.5
1989 estimates	3.97	9.5

Rank based on change in estimate	Sector	Estimated 1988 EPS	Estimated 1988 P/E	% change in 1988 estimate in 2 weeks	% change in 1988 estimate in 4 weeks
1	Consumer durables	$5.01	11.0	2.04%	2.72%
2	Energy	3.25	11.6	0.85	0.74
3	Transportation	2.29	11.8	0.17	0.58
4	Capital goods	2.67	14.2	0.12	0.18
5	Raw materials	3.19	9.1	0.06	0.22
6	Utilities	2.39	10.2	0.04	–0.06
7	Finance	3.38	8.5	–0.08	–0.41
8	Consumer nondurables	2.50	13.8	–0.28	–0.35
9	Technology	2.98	11.4	–0.46	–0.97

Earnings projections are capitalization weighted consensus estimates from over 3,000 security analysts. Data are compiled and updated continually by the Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan, a New York based brokerage firm.

Note: All data for periods ending 11/18/88. Prepared by Wilshire Associates, Santa Monica, Calif. IBES, a service of Lynch, Jones & Ryan, New York.